

**BEFORE THE GEORGIA DEPARTMENT OF BANKING AND FINANCE  
STATE OF GEORGIA**

DANIEL MILSTEIN

Petitioner

vs.

GEORGIA DEPARTMENT OF  
BANKING AND FINANCE

Respondent

DOCKET No. DBF-MBL- 12-00-09

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GOLD STAR MORTGAGE  
FINANCIAL GROUP,  
CORPORATION

Petitioner

vs.

GEORGIA DEPARTMENT OF  
BANKING AND FINANCE

Respondent

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**CONSENT ORDER**

On July 20, 2012, the Georgia Department of Banking and Finance ("Department") issued a Notice of Intent to Revoke Annual License to Gold Star Mortgage Financial Group, Corporation ("Gold Star"), Georgia Lender License Number 22328 and Nationwide Mortgage Licensing System and Registry ("NMLSR") Number 3446. The Department alleged that Gold Star misrepresented material facts likely to influence, persuade, or induce an applicant for a mortgage loan in violation of O.C.G.A. § 7-1-1013(1); misrepresented or concealed information concerning mortgage transactions in violation of O.C.G.A. § 7-1-1013(2); engaged in a course of business not in good faith in violation of O.C.G.A. § 7-1-1013(6); and transacted business with a person who is unlicensed and unregistered, and not exempt from licensing and registration requirements, in violation of O.C.G.A. § 7-1-1002(a) and (b). The Department further alleged that Gold Star directly or indirectly controlled a person who violated O.C.G.A. § 7-1-1002(a) and (b), in violation of O.C.G.A. § 7-1-1002(c).

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Additionally, on July 20, 2012, the Department issued a Notice of Intent to Revoke Mortgage Loan Originator's License to Daniel Milstein, owner of Gold Star, Department License Number 29667 and NMLSR License Number 21083. Further, on July 20, 2012, the Department issued a proposed Order to Cease and Desist to Daniel Milstein. The Department alleged that Daniel Milstein misrepresented material facts likely to influence, persuade, or induce an applicant for a mortgage loan in violation of O.C.G.A. § 7-1-1013(1); misrepresented or concealed information concerning mortgage transactions in violation of O.C.G.A. § 7-1-1013(2); engaged in a course of business not in good faith in violation of O.C.G.A. § 7-1-1013(6); and transacted business with a person who is unlicensed and unregistered, and not exempt from licensing and registration requirements, in violation of O.C.G.A. § 7-1-1002(a) and (b). The Department further alleged that Daniel Milstein directly or indirectly controlled a person who violated O.C.G.A. § 7-1-1002(a) and (b), in violation of O.C.G.A. § 7-1-1002(c). Finally, the Department alleged that Daniel Milstein failed to disclose orders entered against him by state or federal regulatory agencies, in connection with the Department's investigation of his Mortgage Loan Originator application and subsequent renewal applications submitted to the Department for approval, in violation of O.C.G.A. § 7-1-1013(11).

On or about August 7, 2012, Gold Star timely requested a hearing to contest the Notice of Intent to Revoke Annual License issued to it. On or about August 7, 2012, Daniel Milstein timely requested a hearing to contest both the proposed Order to Cease and Desist and the Notice of Intent to Revoke Mortgage Loan Originator's License that the Department issued to him.

The parties have discussed settlement of the issues raised by the Notice of Intent to Revoke Annual License, the Notice of Intent to Revoke Mortgage Loan Originator's License, and the proposed Order to Cease and Desist and have agreed to a resolution of those matters in their entirety.

By entering into this Consent Order, Gold Star neither admits nor denies the allegations set forth in the Notice of Intent to Revoke Annual License. It is hereby ORDERED as follows:

1. Gold Star shall voluntarily surrender its Georgia Lender License. Gold Star further agrees that neither it, nor any of its employees, will engage in any activity in the State of

Georgia that violate the provisions of the Georgia Residential Mortgage Act, O.C.G.A. § 7-1-1000, *et seq.*

2. Daniel Milstein shall voluntarily surrender his Georgia Mortgage Loan Originator's License. Daniel Milstein further agrees that he will not engage in any activity in the State of Georgia that violates the provisions of the Georgia Residential Mortgage Act, O.C.G.A. § 7-1-1000, *et seq.*
3. For a period of five (5) years from the entry of this Consent Order, Daniel Milstein shall be prohibited from making an application for a Georgia mortgage broker or Georgia mortgage lender's license, either in his individual capacity or as the owner or officer of a corporation, partnership, or limited liability company. During said five-year period, Daniel Milstein also shall be prohibited from directing, the affairs of a Georgia mortgage broker or Georgia mortgage lender including, but not limited to, acting as a director, officer, partner, equitable owner, branch manager, or any other equivalent role.
4. Gold Star shall pay fines to the Department in the amount of \$16,000 in full and final satisfaction of any and all monetary claims that have been brought by this agency in connection with the violations for which the proposed Notice of Intent to Revoke Annual License was issued. Gold Star has satisfactorily remitted payment to the Department related to the assessed fines.
5. Gold Star shall contribute \$1,000.00 to the State Regulatory Registry, LLC, a wholly-owned subsidiary of the Conference of State Bank Supervisors ("CSBS") to support the Nationwide Mortgage Licensing System and Registry, jointly sponsored by CSBS and the American Association of Residential Mortgage Regulators. This contribution shall be paid in certified funds, be made payable to the State Regulatory Registry, LLC, and shall be remitted to the Department contemporaneously with the execution of this Consent Order.

6. Daniel Milstein shall contribute \$1,000.00 to the State Regulatory Registry, LLC, a wholly-owned subsidiary of the Conference of State Bank Supervisors (“CSBS”) to support the Nationwide Mortgage Licensing System and Registry, jointly sponsored by CSBS and the American Association of Residential Mortgage Regulators. This contribution shall be paid in certified funds, be made payable to the State Regulatory Registry, LLC, and shall be remitted to the Department contemporaneously with the execution of this Consent Order.
7. Within ten business days of the entry date of this Consent Order, Gold Star shall update its responses to Disclosure Questions on its NMLSR filings to reflect this Consent Order resolving the administrative action against it. In addition, written notification shall be given to each state in which Gold Star holds a mortgage license or registration disclosing the existence of this Consent Order and a copy of it, where such notification is required by state law.
8. Within five business days of the date of entry of this Consent Order, Daniel Milstein shall update his responses to the Disclosure Questions on the NMLSR to reflect this Consent Order resolving the administrative actions against him, and the restrictions set forth therein.
9. Gold Star withdraws its August 7, 2012 request for a hearing to contest the Notice of Intent to Revoke Annual License issued by the Department on July 20, 2012.
10. Daniel Milstein withdraws his August 7, 2012 request for a hearing to contest the Notice of Intent to Revoke Mortgage Loan Originator’s License and the proposed Order to Cease and Desist issued by the Department on July 20, 2012.
11. The Department shall rescind the July 20, 2012 Notice of Intent to Revoke Annual License issued to Gold Star.

12. The Department shall rescind the July 20, 2012 Notice of Intent to Revoke Mortgage Loan Originator's License issued to Daniel Milstein.

13. The Department shall rescind the July 20, 2012 proposed Order to Cease and Desist issued to Daniel Milstein.

14. All written notifications and requests for approval required by this Consent Order shall be mailed to:

Georgia Department of Banking and Finance  
Attention: Director for Non-Depository Financial Institutions  
2990 Brandywine Road, Suite 200  
Atlanta, Georgia 30341

15. Gold Star shall strictly comply with the terms of this Consent Order, the Georgia Residential Mortgage Act, as well as the rules and regulations enacted pursuant thereto.

(a) In the event any terms of this Consent Order are violated, the Department may initiate further administrative proceedings against Gold Star for such violations. If the Department initiates any administrative proceedings, then violation of this Consent Order, if established by the Department, shall be available for consideration as grounds to support the Department's administrative actions.

(b) The terms of this Consent Order may be enforced by the Department pursuant to O.C.G.A. §§ 7-1-1017(g) and 7-1-1018(b).

16. This Consent Order shall be regarded as a public document that the Department may publish in the same manner as a final order of the agency.

SO ORDERED, this 15<sup>TH</sup> day of OCTOBER, 2012.

Consented to by:

[SIGNATURES TO FOLLOW ON NEXT PAGE]

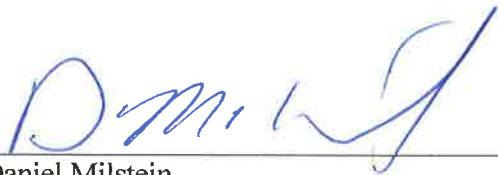


ROBERT M. BRASWELL

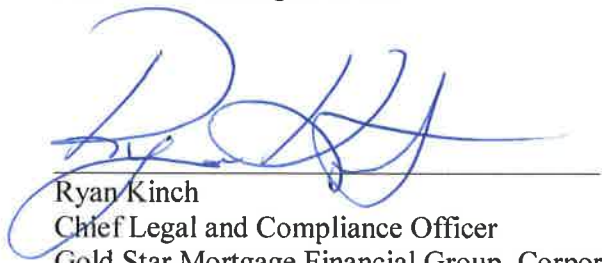
Commissioner  
Georgia Department of Banking and Finance



Rod Carnes  
Deputy Commissioner  
Non-Depository Financial Institutions  
Georgia Department of Banking and Finance  
2990 Brandywine Road, Suite 200  
Atlanta, Georgia 30341



Daniel Milstein  
In his individual capacity and as owner  
of Gold Star Mortgage Financial Group,  
Corporation  
3879 Packard Road  
Ann Arbor, Michigan 48108



Ryan Kinch  
Chief Legal and Compliance Officer  
Gold Star Mortgage Financial Group, Corporation  
2879 Packard Road  
Ann Arbor, Michigan 48108